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## Before the FEDERAL COMMUNIATIONS COMMISSION FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

AUG 1 2 1998

In the Matter of CC Docket No. 97-21 CC Docket No 96-45 USAC Plan of Reorganization DA 98-1336

## REPLY COMMENTS OF SPRINT CORPORATION

Sprint Corporation ("Sprint") hereby respectfully submits its reply to the comments filed August 5, 1998 in this matter.

Sprint continues to assert that the reorganization proposed herein is acceptable to the extent it works to support the Commission's goals of effectively and efficiently administering the universal service fund. However, Sprint shares the concern expressed by Intermedia, GTE, and BellSouth that certain proposals put forth by the Rural Health Care Corporation ("RHCC") would do little more than add layers of administration to the management of the fund.

RHCC appears to want some measure of control over issues effecting rural health care. Its suggestion is that special committees of the USAC board be created – one of which would specialize in rural health care issues – that would be able to bind the board. Although Sprint understands and appreciates the concerns expressed by RHCC, there is a larger issue at hand. The problem, of course, is that underlying this recommendation is the suggestion that the USAC board maintains a *policy-making* role with respect to the fund. Sprint is less concerned with the existence (or non-existence) of a rural health care committee

and its powers than it is with the policy-making role of USAC and its related corporations, divisions, and/or committees. As the Commission is well aware, only *it* has the authority to make policy decisions and interpret the Act with respect to the fund. Sprint concurs with BellSouth's assertion that several critical policy decisions have been made by USAC and its subsidiary entities that should have had Commission public notice and comment periods (BellSouth at p. 4). Sprint, therefore, joins Intermedia, GTE and BellSouth in calling for the Commission to act in a timely fashion to make policy determinations regarding the non-administrative aspects of the fund so that USAC's role is not expanded, by default, into that of a policy-making body.

GTE suggests that, to streamline further the administration of the fund, the Commission should adopt a distribution method that directly reimburses schools and libraries rather than the service providers (GTE at p. 4). Such a process would, according to GTE, cut down on the time required for schools and libraries to receive fund support, as well as eliminate many of the administrative details that currently burden service providers. Sprint echoes GTE's arguments on this point. Making the service provider the "middle man" in the funding process serves no legitimate purpose and adds little more than time and expense

to the process. The Commission should seize this opportunity to make the reimbursement process more efficient and adopt GTE's suggestion forthwith.

Respectfully submitted, SPRINT CORPORATION

Jay C. Keithley

1850 M Street N.W., 11th Floor Washington, DC 20036-5807 (202) 857-1030

Sandra K. Williams P. O. Box 11315 Kansas City, MO 64112 (913) 624-1200 Its Attorneys

August 12, 1998

## **CERTIFICATE OF SERVICE**

I, Melinda L. Mills, hereby certify that I have on this 12<sup>th</sup> day of August 1998, served via U.S. First Class Mail, postage prepaid, or Hand Delivery, a copy of the foregoing "Reply Comments of Sprint Corporation" in the Matter of USAC Plan of Reorganization, CC Docket Nos. 97-21 and 96-45, DA 98-1336, filed this date with the Secretary, Federal Communications Commission, to the persons on the attached service list.

Melinda L. Mills

- \* Hand Delivery
- \*\* Diskette
- # Facsimile

Kathryn C. Brown\*
Chief, Common Carrier Bureau
Federal Communications Commission
1919 M Street, NW, Room 500
Washington, DC 20554

ITS\* 1919 M Street, NW, Room 246 Washington, DC 20554

Joel Ader\*
Bellcore
2101 L Street, NW
Suite 600
Washington, DC 20036

Jane Jackson\*
Chief, Competitive Pricing Division
Federal Communications Commission
1919 M Street, NW
Room 518
Washington, DC 20554

Daryl W. Howard SBC Communications Inc. One Bell Plaza, Room 3703 Dallas, Texas 75202 Christine Pellerin National Association of Community Health Centers, Inc. 1330 New Hampshire Avenue, NW Washington, DC 20036

Sister Elizabeth Powhaten School Route 1, Box 177A Boyce, VA 22620 Colette K. Bohatch, Esq. 1575 Eye Street, NW Suite 300 Washington, DC 20005

Thomas L. Milne
National Association of County and City Health
Officials
1100 17th Street NW Second Floor
Washington, DC 20036

Greg Weisiger 19 Tallwood Trail Palmyra, VA 22963 Mary J. Sisak
Mary L. Brown
MCI Telecommunications Corporation
1801 Pennsylvania Avenue, NW
Washington, DC 20006

Joseph DiBella
Bell Atlantic
1320 North Court House Road
Eighth Floor
Arlington, VA 22201

John F. Raposa GTE Service Corporation 600 Hidden Ridge, HQE03J27 PO Box 152092 Irving, TX 750152092

Jim Reid Midwest Rural Telemedicine Consortium 400 University Avenue Des Moines, Iowa 50314-3190

Robert B. McKenna John L. Taylor US West Communications, Inc. Suite 700, 1020 19th Street, NW Washington, DC 20036 Helen A Shockey
M. Robert Sutherland
Richard m. Sbaratta
Bellsouth Corporation
Suite 1700
1155 Peachtree Street, NE
Atlanta, Georgia 30306-3610

Steven T. Brown Intermedia Communications, Inc. 3625 Quenn Palm Drive Tampa, FL 33619

Gail L. Polivy GTE Service Corporation 1850 M Street, NW Suite 1200 Washington, DC 20036

Greg Weisiger 19 Tallwood Trail Palmyra, VA 22963

Peter M. Bluhm, Esq. Vermont Public Service Board 112 State Street, Drawer 20 Montpelier, VT 05602-2701 R. Scott Reiter Jill Canfield National Telephone Cooperative Association 2626 Pennsylvania, NW Washington, DC 20037 Richard A. Askoff National Exchange Carrier Association, Inc. 100 South Jefferson Road Whippany, NJ 07981

Lynne Bradley American Library Association Washington Office 1301 Pennsylvania Ave, NW Suite 403 Washington, DC 20004